

# Advance Payments

Are you eligible?



## What is an advance payment?

If you are a contract holder with the Natural Resources Conservation Service (NRCS) and meet the criteria as a limited resource farmer or rancher, beginning farmer or rancher, socially disadvantaged farmer or rancher, or veteran farmer or rancher, you may be eligible for an advance payment.

An advance payment provides you the opportunity to receive up to 50% of your payment up front to purchase immediately-needed materials and services. However, there are some requirements you should be aware of before making the request:

- A completed, approved design with exact quantifiable units that will be installed (feet, type, and diameter of pipe, square feet of high tunnel, etc.) must already be signed both by you and by an NRCS employee.
- Your contract may need to be modified to reflect the appropriate practice component and quantities to exactly match your completed, approved design.
- Advance payment funds must be used to purchase materials and services needed to implement a practice.



## Still ready to proceed?

Here are a few other items you need to know:

- You will need to provide documentation showing any advance payment funds you receive have been expended within 90 days of when you received the funds.
- If you do not provide documentation showing the funds have been expended as outlined above, you will be required to pay the money back.
- If you do not pay the money back as required above, your contract may be terminated with financial penalties.
- If the practice you install does not exactly match the quantities documented in the advance payment, additional penalties may be incurred and this could also cause delays in future payments associated with your contract.

## Confident you're ready for an advance payment?

Here are the next steps:

- Submit a request for an advance payment to your NRCS field office. Be sure to tell NRCS what item you would like an advance payment on.
- Verify that the NRCS field office has your most up-to-date bank account information.
- The NRCS field office will work with you to ensure the bulleted items above are completed.

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